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ABSTRACT

This paper presents a historical portrait of the process of financial resource allocation at Compton Community College (CCC). Introductory material provides information on the college, its organization, and its budgeting and accounting procedures. Next, changes in finances occurring between 1974-75 and 1977-78 are outlined, including the growth of non-special project revenue by 10% per annum and an increase in federal aid. In this section, the development of collective bargaining and the creation of a college committee to study institutional policy formation and implementation are reviewed. Then, the period between 1977 and 1981 is characterized in terms of: (1) the termination of 12 of 92 teaching faculty; (2) the elimination of local property tax revenues under California's Proposition 13 and their replacement by state "bail out" funds; (3) the development of a more centralized decision-making structure at CCC; (4) the increase in tension at the college as faculty were excluded from decision making; (5) the resignation of 93% of CCC's managers; and (6) the absence of institutionwide involvement in CCC's planning process. Finally, suggestions for revitalizing the financial allocation process are presented, e.g., instituting an interdependent, cooperative management style and developing a routine, efficient, participatory planning mechanism. Graphs, charts, and tables provide organizational and financial data. Appendices present contrasting approaches to decision making. (HB)

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ED229055

THE FINANCIAL RESOURCE ALLOCATION PROCESS

AT

COMPTON COMMUNITY COLLEGE;

A REDIRECTION

Compton Community College Federation

of

Teachers, Local 3486

August 20, 1981

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The Financial Resource Allocation Process

at

Compton Community College,

A Redirection

Introduction

Compton Community College, a public, two year, postsecondary institution, is located in Compton, California. The college enrolls over 6000 students, including over 600 foreign students from over twenty countries, principally from Iran.¹ Two-thirds of these students attend courses at the 13th and 14th grade level, full-time. Programs in community service, student activities, counseling, and other student support services make up the remainder of the college's direct services to its constituents.

The students are taught in vocational, transfer, and certificate programs, and counseled by 87 full-time and 231 part-time instructors/counselors, coordinated by 26 managerial personnel, and governed by a five-member, locally elected, Board of Trustees. The instructional program, as well as the student support services and business affairs areas are each headed by a vice president who reports directly to the superintendent. The academic, library, and counseling functions are further subdivided into instructional

areas--called areas instead of departments because of the constraints of California's collective bargaining law--which are chaired by a superintendent-selected Chairperson. With the exception of an increase in managerial personnel, and two-year absence of area chairpersons from 1978 to 1980, little change occurred in the line management charts between 1977 and 1981--see Tables 1, 2, and 3, pages 3-5.

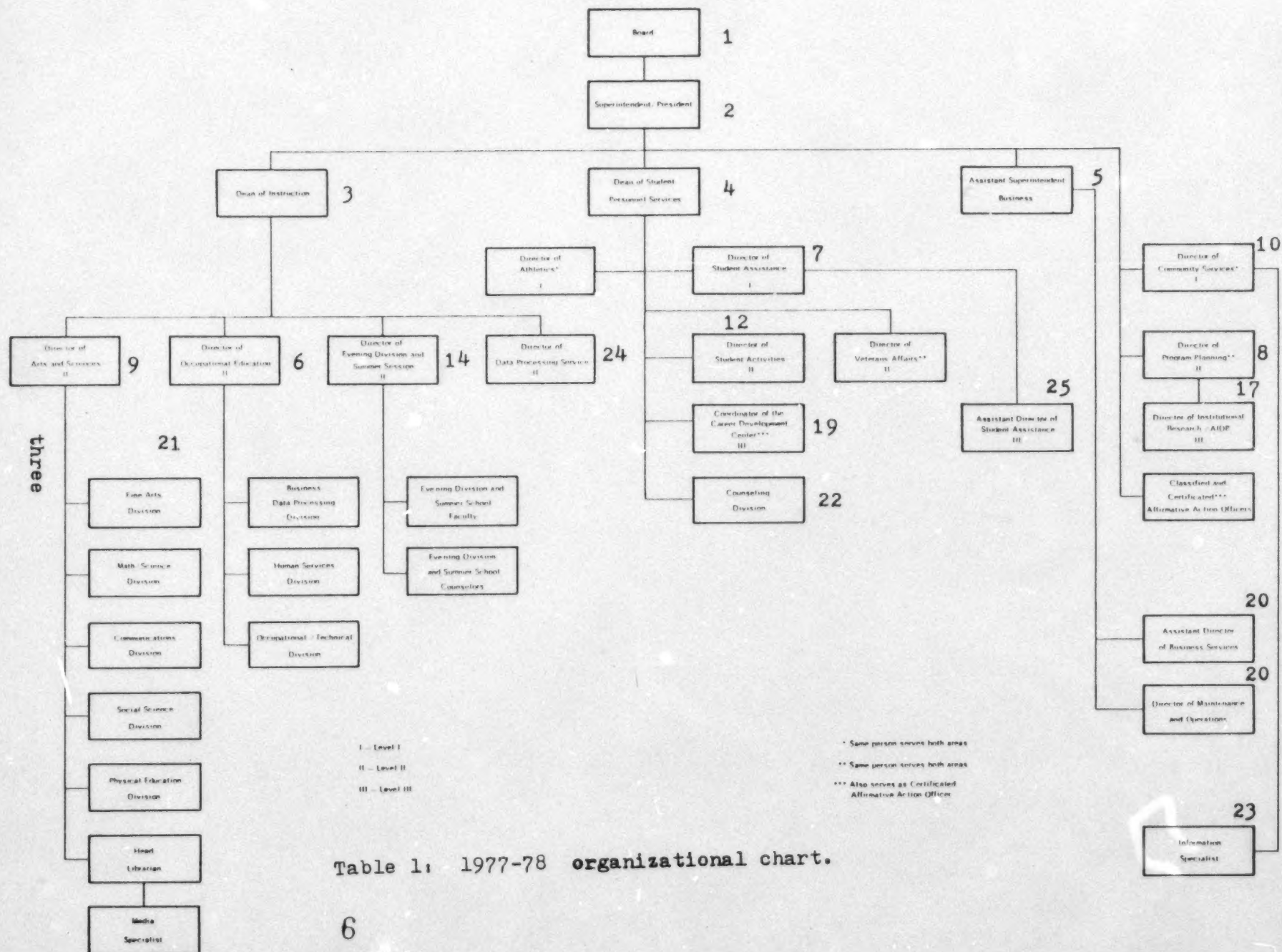
Budgeting and accounting follows procedures established by the California Community Colleges state Board of Governors, through its Budgeting and Accounting Manual. The college summarizes the actual and estimated year-end and beginning balances, revenues, and expenses, for the prior, current, and following year as part of each August's adopted budget--see Table 4, page 6. State, Federal, local, foreign student fees, and interest income sources generate typically 58, 25, 9, 6, and 2 percent of the total annual revenue respectively. Total annual expenses fall primarily into five basic program areas, 70%--see Graph 1, page 7; special student projects and grants-in-aid, 26%; and plant renovation, 4%.

Pre 1977-78

In the three years prior to the 1977-78 academic year, the rate of non-special project revenue growth was 10% per annum; the federal share of total income reached 27%; and over \$2.4 million dollars in ending yearly balances had shrunk to a \$10,176 ending balance at the conclusion of the 1976-77 year. Capital outlay for plant repair and improvement was virtually nonexistent during this period, although state and federal funds were being pooled for

COMPTON COMMUNITY COLLEGE DISTRICT ORGANIZATION CHART

1977-78



COMPTON COMMUNITY COLLEGE DISTRICT ORGANIZATION CHART

1980-81

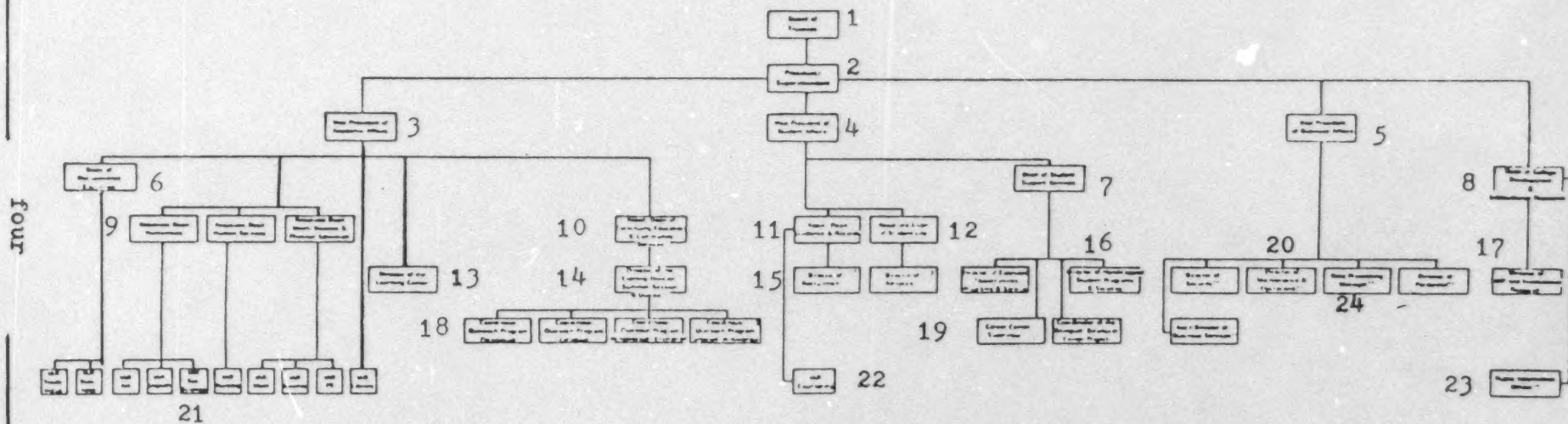


Table 2: 1980-81 organizational chart.

Legend:
1. No long-term position
2. No long-term position
3. No long-term position

1977-78

1980-81

1	Five-member Board of Trustees	same
2	Superintendent/President	same
3	Dean of Instruction	Vice Pres. Academic Affairs
4	Dean of Student Personnel Services	Vice Pres. Student Affairs
5	(Asst. Supt., Business)	(Vice President of Bus. Affairs) *
6	Dir. of Occupational Ed.	Dean of Occupational Ed.
7	Dir. of Student Assistance	Dean of Student Support Services
8	Dir. Program Planning/ Veterans Affairs	Dean of College Development and Institutional Research
9	Assoc. Dean of Arts and Sciences	Assoc. Dean of 3 Academic Divisions
10	Dir. Community Services/ Athletics	Assoc. Dean of Continuing Ed./ Community Services
11	(Registrar)	Assoc. Dean of Guidance/Records
12	Dir. of Student Activities	Assoc. Dean of Student Life
13	(Media Specialist)	Dir. of Learning Center
14	Dir. of Evening and Summer Session Divisions	same
15	open	Directors of Recruitment and Athletics
16	open	Directors of Extended Opportunity and Handicapped Programs
17	Dir. of Institutional Research	same
18	open	Coordinators of Outreach Program
19	Coordinator of Career Develop- ment Center/Affirmative Action Officer	Supervisor/Coordinator of Career Center and Bilingual- Bicultural Programs
20	(Directors of Business Services, Maintenance and Operations, Security, and Personnel Services)	(same)
21	Division Chairpersons - ten academic divisions	Instructional Area Representatives
22	Division Chairperson - counseling	Instructional Area Representa- tive - counseling
23	(Information Specialist)	(Public Information Officer)
24	Dir. of Data Processing Service	(Data Processing Manager)
25	Asst. Dir. of Student Assistance	open

Table 3: List of management personnel. Parentheses indicate classified personnel.

five

COMPTON COMMUNITY COLLEGE
1981-82 ADOPTED BUDGET
GENERAL FUND
SUMMARY

Table 4: Summary of adopted budget for the 1981-82 year.

DESCRIPTION	1979-80 Actual Income and Expenses	1980-81 Est. Income and Expenses	1981-82 Est. Income and Expenses
Beginning Balance - July 1 (Adj. to beginning balance)	1,534,214.56 (46,213.57)	1,622,975.50 20,276.73	1,163,999.89
<u>REVENUE</u>			
State Income	6,944,060.00	6,317,483.00	6,604,858.00
County Income	16,101.41	12,752.86	16,514.00
Local Income	886,366.67	1,205,219.16	936,981.00
Sales Income	2,650.00	.00	200.00
Rentals, Lease & Interest Income	202,016.34	264,533.97	110,300.00
Fees Income	636,951.70	687,757.21	731,425.00
Other Income	38,721.48	28,201.63	34,000.00
Sub-Total-Est. Revenue	8,726,867.60	8,520,947.83	8,434,278.00
Sub-Total-Est. Revenue & Beg. Bal.	10,214,868.59	10,164,200.06	9,598,277.89
Special Projects	2,417,310.55	3,392,728.00	615,682.00
Total Estimated Revenue & Beginning Balance:	12,632,179.74	13,556,928.06	10,213,959.89
<u>EXPENSES</u>			
Instructional Programs	3,319,456.47	4,172,792.00	3,847,982.00
Instructional Support	761,272.96	848,677.72	919,570.00
Pupil Services Support	957,482.95	1,176,947.83	1,095,403.00
General Support	2,098,691.46	2,465,013.61	2,341,021.00
Community Services	270,657.43	276,425.32	253,398.00
Others (Including Construction Projects)	872,585.85	386,461.57	365,959.40
Sub-Totals	8,280,146.22	9,326,318.05	8,823,333.40
Special Projects	2,729,057.42	3,053,610.12	715,682.00
Sub-Totals	11,009,203.64	12,379,928.17	9,539,015.40
Interfund Transfer	.00	13,000.00	74,944.00
Total Estimated Expenses:	11,009,203.64	12,392,928.17	9,613,959.40
Contingency Reserve	.00	.00	350,000.49
11 TOTAL:	11,009,203.64	12,392,928.17	9,963,959.89
Estimated Ending Balance, June 30	1,622,975.50	1,163,999.89	250,000.00

Expenditure Programs

Instructional

Teachers (92% of cost)
Supplies
Equipment
Equipment repair and
service
Fieldtrips
Building Improvement

Pupil Services Support

Counseling (58% of cost)
Athletics
Pupil Records
Student Recruitment,
Financial Aids, and
Activities

Instructional Support

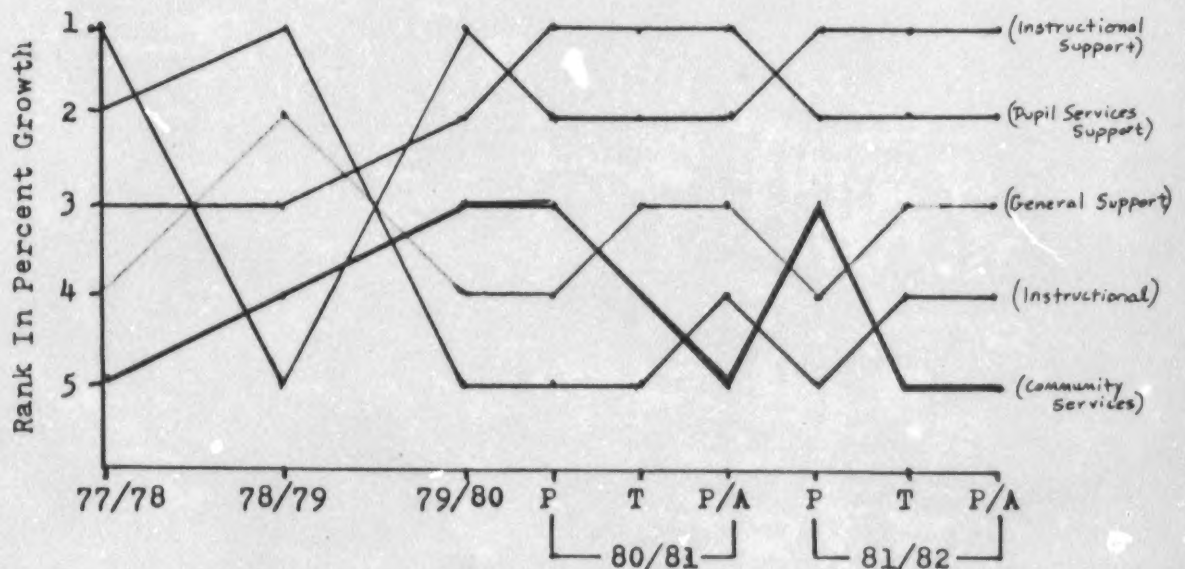
Administration (52% of cost)
Library
Program Planning and
Development
Study Skills and Media
Center

General Support

Classified Personnel (55%
of cost)
Plant Operations and
Maintenance
Insurance and Utilities
Governing Board Expenses
Data Processing Services
Campus Security
Communication and Printing

Community Services

Staff Salaries (75% of cost)
Recreation, performing
community arts
Public Information
Non-credit courses



Graph 1: Rank of percent growth of expenditure programs from a 1976-77 base year--number 1 being the highest percent growth. The letters P, T, and P/A represent a four-stage, three month budgeting process, ending in August of the most recent year.

construction of an allied health and child development facility, which were completed in 1979-80. Expenditures on the instructional program as a percent of the total annual operating expense had moved inversely with those in administration;²

	1973-74	1976-77
Instructional Program	53.1%	49.2%
Management	13.6%	16.8%

Additionally, the college was unable to meet California's 50% Law, which requires that at least 50% of the annual operating cost be devoted to instructor salaries. All of this occurred during a 20% reduction in student average daily attendance (ADA), the state's index to apportionment.

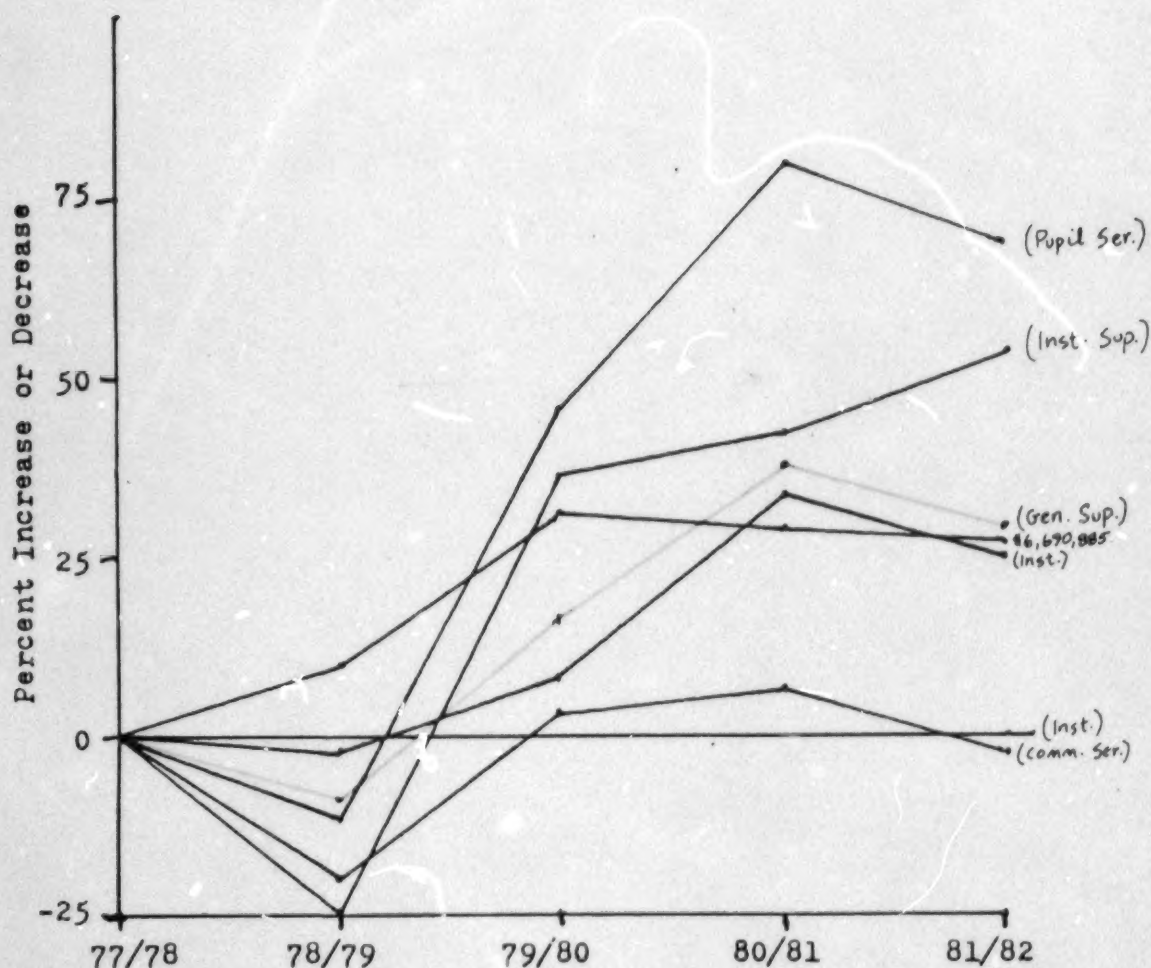
Collective bargaining arrived in California in the summer of 1976 amid the growing winds of taxpayer revolt. Since revenues had been growing steadily, laissez faire financial practices continued--in 1975-76, the faculty was given a general 10% salary increase although they had asked for only 8%. Most faculty were blithely unaware of the growing trend towards centralization of decision making in the office of the superintendent, and none would have guessed that the latter raise would be the last for four years.

On May 23, 1977, a new college committee for the, "Study of Institutional Policy Formulation and Implementation," was formed. It was the purpose of this committee to attempt to regain a measure of collegiality, and begin the resolution of a growing number of management and financial problems. This committee evolved into a 1977-78 faculty-selected, collegial task force which, stimulated by the certainty of a major voter-mandated change in the amount and

method of college funding, recommended expenditure reductions and priorities for the following year. Most of the task force's recommendations were implemented in 1978-79, resulting in a significant decrease in expenses--Graph 2, page ten. (In fact, 1978-79 was the only year within an eleven year span in which the college met the 50% Law) However, growing preoccupation with federally funded programs, and concern with the future of funding and collective bargaining caused progressive management alienation from faculty. Even non-cost items, of mutual benefit for faculty and the college were summarily rejected as being, "The substance for future bargaining." The college's traditional bureaucratic governance system, led by a superintendent who believed, and still does, that unanimous local governing board support of the chief administrative officer's recommendations is tantamount to effective leadership, was ill suited for what transpired.

The Current Period: 1977 to 1981

In the early spring of 1978--a few weeks following the last "collegial" input by faculty on the proposed post-Proposition 13 district budget--suddenly, and without warning, 31 of the 92 teaching faculty were given termination notices, with 12 eventually being layed off. The die had been cast. The need for unilaterally developed, centrally-made decisions on budget allocations and staffing was now attributed by management to the "dragon" of external control, and to a shift of over 80% of the college's financing to the State and Federal governments as a result of the



<u>Non-project Income</u>		77/78	78/79	79/80	80/81	81/82 (est)
—— \$6,690,885			10	30.4	27	26
<u>Expenditures</u>						
—— Inst.	\$3,088,848	(3)%	8	35	25	
—— Inst. Sup.	599,955	(25)	36	42	53	
—— Pupil Ser.	652,941	(12)	47	80	68	
—— Gen. Sup.	1,812,190	(11)	16	36	29	
—— Comm. Ser.	261,553	(20)	3	6	(3)	
Total	6,375,488	(8)	16	40	33	

Graph 2: Percent increase in actual and estimated--for the 1981-82 academic year--revenue and program expenditure categories from a 1977-78 base year of zero.

passage of the dreaded Proposition 13 in June of 1978.

Passage of Proposition 13 had indeed caused the elimination of all local ad valorem property taxes, which stopped the annual flow of a quarter of a million dollars earmarked for community services. However, special state "bail-out" funds assured the continued growth of non-special project revenues at a slightly slower rate of 9% per year. By 1979-80, income per ADA had reached \$2891, the 9th best ranking out of 70 California community college districts.⁴ In the current period, interest income and foreign student fees doubled to 2% and 6% of total annual revenue respectively, while state and federal categorical funds continued apace, with over \$1.9 million dollars being expended on student work experience and grant programs in 1980-81.

Management's increased "need" for centralized decision making extended to budget balancing through sporadic maintenance of buildings and grounds, and a decrease in current expense for education. The latter was achieved through increasing the number of lower-paid, part-time instructors from 166 to 231, reducing the number of full time faculty, and refusing to grant salary increases to any instructors for four years. By 1979-80, Compton College ranked 14th in percentage of part-time instructors employed--72.9%; 43rd in current expense for education per ADA--\$1722; and 52nd in mean faculty salaries--\$26,338--in the state.^{4, 5}

Not surprisingly, teaching faculty responded with a growing desire to have a voice in their fate through the bargaining process. Elimination in 1978-79 of all faculty-management interface departmental structures and prevention of meaningful faculty

participation on college committees in preparation for highly destructive management bargaining practices added fuel to open faculty warfare against the superintendent. The latter, and enrollment of Compton's share of the increasing number of unprepared, "high risk" students of the 70's resulted in greatly lowered staff morale.

Over 93% of the managers--including three business managers--and 80% of the local governing board left their positions during this interval. The college rarely utilized community advisory committees during this period, and although the college's statement of philosophy and objectives was perennially ratified by catalog publication--a proposed operationalized revision of the objectives of March 31, 1976 was ignored--the statement had not been renewed following 1970--Table 5, page 13. A relatively good bargained Agreement notwithstanding, attempts to reestablish collegial committees parallel with the Agreement's mechanisms were rebuffed by the superintendent. Where there had been 22 college-wide, collegial committees in 1977-78, there remained one curriculum committee in 1981. Lack of management continuity and consequent management inertia; cessation of institution-wide participation in planning and evaluation of programs--key criteria for winning accreditation from the Accrediting Commission for Community and Junior Colleges--; and continuous upheaval in the internal environment resulted in the college seeking and receiving a year's delay in the initiation of its formal accreditation process.

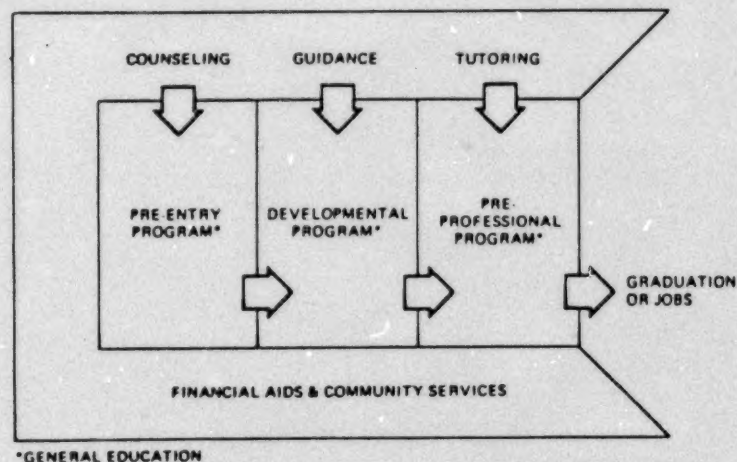
The above lack of management continuity had its effect on the financial allocation process. One may characterize Compton

GENERAL INFORMATION

PHILOSOPHY

Compton College is an urban community college dedicated to the individual and to his community. The college strives to be an integral part of the community, reflecting the needs and aspirations of the community and providing leadership in educational and cultural affairs. The college tries to respond to the many features of a cosmopolitan community by offering a variety of programs. The college subscribes to the "open door" principle, and any member of the community may enroll in any program that can benefit him. Committed to the integrity and worth of the individual, Compton College attempts to help each person acquire the skills, attitudes, and knowledge essential for personal well-being and productive living. Compton College believes that through this dual commitment to individual and to community, programs and policies may be continuously established that benefit each person and the community — local, national, and global — of which he is a member.

To implement this philosophy, Compton College established a number of objectives. These objectives are schematically represented on the chart below and are stated on the opposite page.



*GENERAL EDUCATION

Table 5: Compton College statement of philosophy and objectives, developed in the 1969-70 academic year. Reprinted from the 1970-71 Catalog and Announcements, pages 14-15.

OBJECTIVES

1. *Community Services* — To bring the community into the campus and to take the campus into the community. Compton College attempts to serve as a community center by providing recreational, cultural and educational activities beyond the scope of the regular instructional program. Compton College also attempts to expand the campus into the community, contacting citizens and offering programs outside the college campus itself. The Community Services Program, thus, bridges the gap between college and community.
2. *Pre-Entry Programs* — To provide the basic skills in mathematics, reading, vocabulary, writing, or communication necessary for successful performance in more advanced stages of study. Examples of Pre-entry courses are English 15, Mathematics 1, and Psychology 7.
3. *Developmental Programs* — To improve upon the basic skills and to introduce fundamental concepts in subject areas that prepare students for entry into pre-professional courses. Examples of Developmental courses are English 5, Mathematics 2, and Psychology 1.
4. *Pre-Professional Programs* — To develop the essential skills and knowledge for transfer to a four-year institution or for employment in an occupational area. Examples of Pre-professional courses are English 6, Mathematics 3, and Psychology 3.
5. *General Education* — To offer courses that enrich the pre-entry, developmental and pre-professional programs. These courses should provide the student competencies necessary for effective living as an individual, as a family member, and as a citizen of the larger community.
6. *Counseling* — To offer counseling and guidance services that assist students in assessing their own capabilities, interests, and ambitions. Students can receive personal, educational, and vocational counseling. Counseling provides the means to integrate the programs of the college; thus, students can best select suitable courses and can move from program to program within the college with confidence and success.

College's resource allocation planning, organization and execution processes as being mega--allocation among the larger areas managed by the vice presidents; macro--those allocations within the larger areas, by programs and by disciplines; and micro--those allocations made by staff regarding materials and supplies utilized within an instructional area or by an individual or small group of employees. Prior to 1977-78, micro-allocation procedures were very much collegial, whereas macro- and mega-decisions were made by the three vice presidents and superintendent in the traditional bureaucratic manner.

During the 1977-78 crisis year, all planning levels became instantly more collegial, but by the spring of 1978, this short-lived collegiality had disappeared. Budgetary allocations and large expenditures both in programs and staffing began to be made unilaterally within the virtually secret confines of the superintendent's "administrative cabinet." Interviews with some of the remaining and departed managers of this period indicate that decisions even then were not really bureaucratic in the sense that there was a chain of allocation planning or decision making within administrative ranks. Rather, managers submitted their budget "wish lists" to the vice presidents, who then presented their subordinates with allocation "caps" or directives to cut a certain percentage across the board. Middle management feedback was limited to secondary and tertiary budget submittal, and whatever personal negotiation a given manager was able to achieve. During the year, manager-participants threw their resource needs into the financial "garbage can," from which an "upper level manager" sifted the most

important needs for reallocation. A corollary feature of this almost random allocation system was that when a given manager was unable to cope with his allocation responsibility, the responsibility was transferred summarily to another manager, usually a vice president, with predictively negative consequences.

The 1978-81 financial allocation system has been legitimized by Cohen and March, who describe it as that of "organized anarchy."⁶ The basic properties of organized anarchies include ambiguity of purpose and problematic goals; unclear technology; fluid participation; ambiguity of power; ambiguity of inability to learn from experience; and ambiguity of success, in particular chief administrator success. Cohen and March believe that organized anarchies should not be viewed as vehicles for solving well defined problems, but more as a collection of choices looking for problems. Ambiguity was the rule at Compton College from 1977 through 1981, and as Lahti, president of Denver Community College, said, "The common weakness in the decision-making process are uncertainty as to who is responsible for making what decisions and lack of adequate information for making decisions."⁷ And because there was virtually no attempt to rationalize expenditures on the basis of the college's stated goals and objectives, no college-wide participation in financial planning, no generation of information adequate for making informed judgments, and no systematic evaluation of the results, fiscal budgeting prudence came to an end.

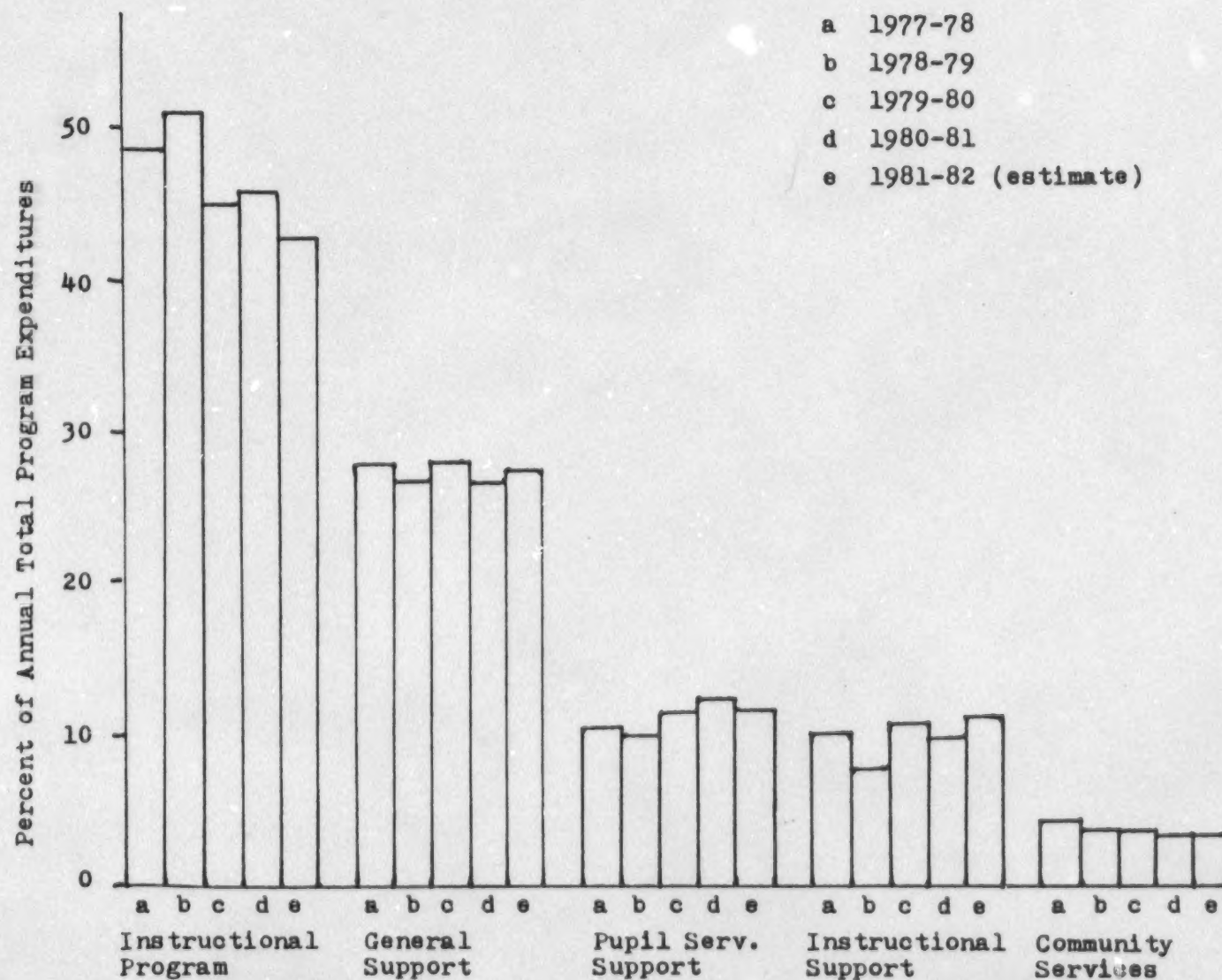
An examination of the college objectives on page thirteen would hardly portend the six leading growth items between 1977 and 1982:

	item	percent increase ³
1	Athletic Activities (Pupil Services Support)	171%
2	Study Skills Center (Instructional Support)	146%
3	Administration (Instructional Support)	140%
4	Governing Board Budget (General Support)	98%
5	Light and Power (General Support)	87%
6	Student Records (Pupil Services Support)	75%

External forces beyond the control of local governance can be used to rationalize the increased expenditures in light and power and student record services. However, the absence of goal operationalization and adequate cost control data for items within various locally-elected programs, has made informed manager judgment and cooperation in budget preparation, execution, and evaluation almost impossible. One result has been vacillations in program budgeting indicated in Graph 1.

Planning has meant only a loose attempt to maintain the incremental program growth and distribution percentages of the past--Graphs 2 and 3, pages 10 and 17. This attempt went awry as fluctuations of selected intra-program items altered both the percentage distribution trend, particularly in the instructional program--downward trend--and pupil services and instructional support areas--upward trend in Graph 3--and actual program growth rates--Graph 2. Additionally--although there is considerable evidence that district figures are in significant error here--program expenditures, with the exception of instructional and

sixteen

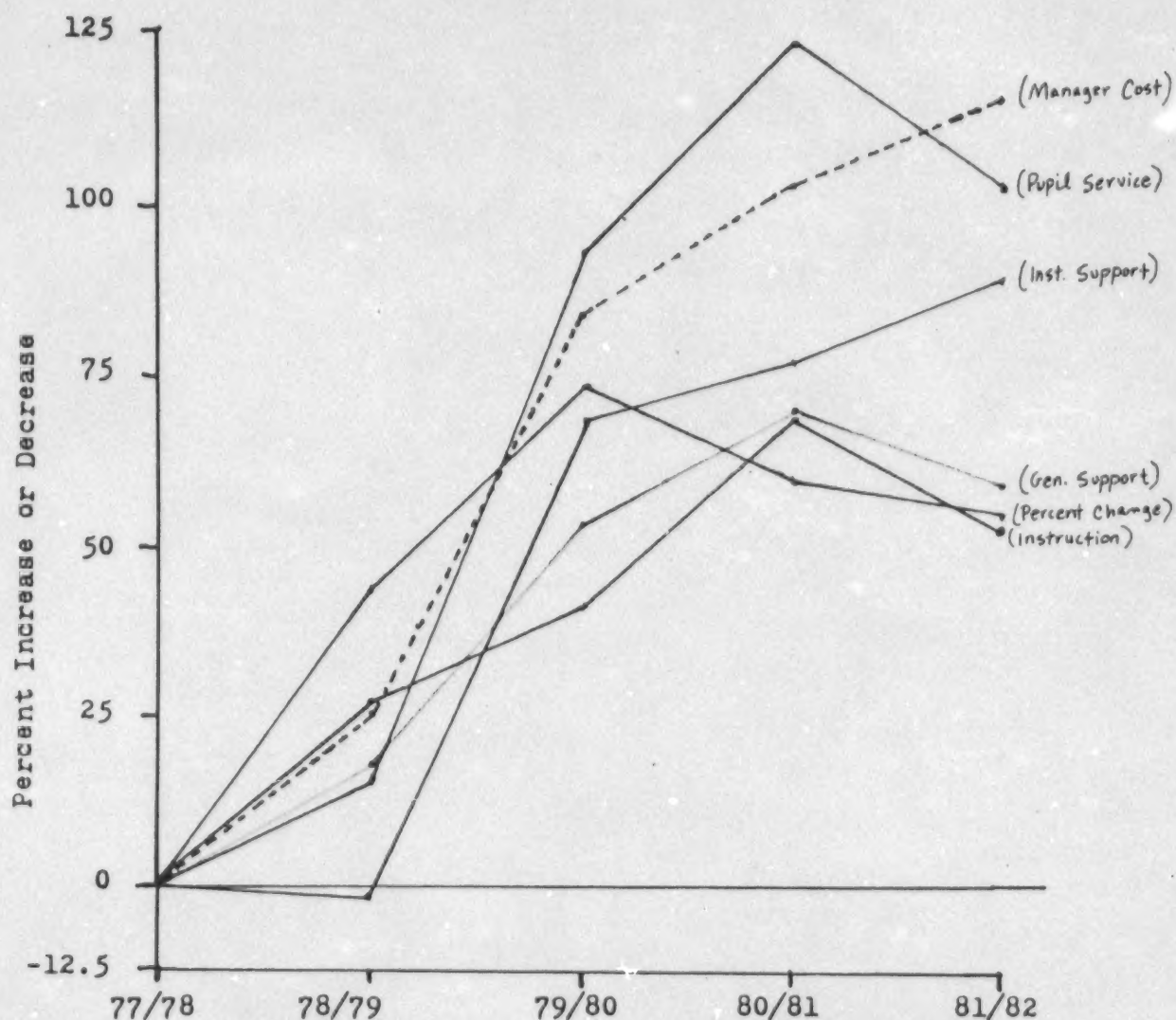


Graph 3: Annual program distribution percentages for the years 1977-78 through 1981-82.

community service expenses, have recently risen much faster than non-special project revenues. Thus, maintenance of instructional, pupil service, and general support programs at these high levels of incremental increase, as well as provision of community services at the same level existing before special funding for the latter was eliminated has evidently been balanced with less funding for the instructional program.

More seriously, little concern is evidenced for the relationship between students served, as measured by the ADA statistic, and specific intra-program expenditure areas. Thus, growth in costs per ADA of all areas, except instructional services, have soared beyond the growth in dollars available for all services--Graph 4, page nineteen. Since ADA has decreased by 19% during the last three-year period, rising costs per ADA and lack of cost evaluation by program could have grim consequences for the college's future economic health.

As noted earlier, Compton College's problems in financial decision making have not been restricted by revenue constraints. Although institutional financial instability has been the fate of numerous colleges with large state and federal subsidies such as Compton, local management has been free to allocate over 74% of all general fund revenues.⁸ From 1977-78 through 1980-81, \$31.3 million dollars in non-special project revenue was available for \$30 million dollars in program expenditures, leaving a balance of \$1.3 million dollars. Neither can legal restraints be cited in defense of four years of non-planning. California Education Code statute 72282 permits local governing boards to establish rules



Non-project Revenue	77/78	78/79	79/80	80/81	81/82 (est)
ADA	4242	3265	3224	3444	3500
Dollars per ADA	\$1577	\$2250	\$2707	\$2474	\$2410
Percent Change ———	--	43	72	57	53
Expenditures					
Instruction ———	\$ 728	26%	42	67	51
Inst. Support ———	141	(3)	67	75	87
Pupil Service ———	154	14	93	122	103
Gen. Support ———	427	16	52	68	57
Manager Cost - - - - -	113	26	82	102	114

Graph 4, Percent increase in actual and estimated dollars per ADA from a 1977-78 base year of zero.

and regulations not inconsistent with the regulations of the statewide Board of Governors of California Community Colleges or the laws of the State. It also permits local boards to delegate appropriate authority to officers, employees, or committees of the district for the conduct of business. Typical job specifications of upper level administrators implore them to plan, organize, execute, control, and evaluate within their respective span of authority. Unfortunately, lack of management continuity at Compton College has made carrying out even these most basic management functions virtually impossible. Put simply, the traditional bureaucratic governance model--or organized anarchy as it actually operated--hasn't worked!

Absence of institutionwide involvement in planning has created an atomic organization, in which most of the parts are moving in different directions at greatly varying rates of speed. And the lack of timely, accurate, and appropriate information, and shared institutionwide perspective has forced staff to react to crises rather than make informed, controlled judgments. Perhaps the most useful culprit is that management style did not change to reflect changes in the economic and political climate of the institution. As Heydinger has observed,

"The effective planner will appreciate the idiosyncrasies and nuances of each environment and each moment in time--different styles are appropriate at different moments in an institution's history." 9

A Revitalization

The obvious first step towards productive change in the

financial allocation process at Compton College is to redirect management style in exactly the opposite course it has taken during the current period. What is not so obvious is the direction the new course should take. Whatever the new direction, concern must be focused not only upon resolution of the current crisis but upon deployment of a new, eclectic management style which can harmonize the college's goals and objectives with those of its staff and clientele, and yet do all of this in an economically sound manner.

A review of Schmidtlein's two polar approaches to decision making in higher education--Appendix 1--reveals that current management has given the pretense of eclectic management by borrowing traits at different, seemingly random times--probably unintentionally--from both extremes.¹⁰ Incremental increase in program expenditures, with little overall planning or concern for financial stability or effect on the entire college is typical of the more liberal I/R style, whereas unilateral decisions on which programs will receive incremental increases, with the explanation, "I have the institutional perspective and therefore know what's in the best social and economic interest of the college," is the hallmark of the more conservative C/P style.

A recent downturn in state apportionments, and a belief with McGregor that, "The capacity of the average human being for creativity, for growth, for collaboration, for productivity (in the full sense of the term) are far greater than we yet have have recognized," argue for an eclectic style somewhere in between the I/R and C/P extremes for Compton College.¹¹ As revenue reaches

a more steady state level, the homeostatic decision setting of Craven might be very appealing.¹² As the college confronts problems in student enrollment, growing lack of student preparation in basic skills, and the need for adjustment of support services for its clientele, Knoell's more interdependent, cooperative style of decision making, employing Heydinger's community-based needs assessment methods, will be necessary.^{13, 14} To satisfy the legitimate social and economic needs of staff, the more political style of Orwig and Caruthers will be more appropriate, particularly in budgeting:

"Budgeting is a process that must achieve some cohesion and focus from the diverse interests represented by the many participants in the higher education enterprise."¹⁵

Regardless of management style, institutionalization of a routine, efficient, participatory planning mechanism must be the ultimate goal. Mary Parker Follett, perhaps the first American woman to write about problems of organization and management, outlined the prescription for such a mechanism in 1938. She emphasized that decision making is a process, not an act that takes place at a moment in time, and that:

"The essential decision is one that reflects communal authority when the process is carried out in such a way as to assure a consensus among the parties affected."¹⁶

Amplifying the latter process, Haas admonished:

"Generally, the result of planning in an institution of higher education is that the many parts of a characteristically unwieldy organization move in the same direction at roughly the same rate of speed. This is done not so much by plotting a course as by providing a common understanding of the institution's

past and present for its constituents and administrators and by keeping its collective eyes on its objectives. In this respect, planning is, more than anything else, an effective communications process with the potential consequence of driving an institution's perspective far down inside the organizational structure. The result is not only potentially greater teamwork among the various administrators but a concomitantly higher probability for the more consistent application of available resources to the highest priority concerns of the institution."¹⁷

Appendix 2 outlines some of the traits and pitfalls inherent not only in collegial planning modes, but in most other planning processes as well. Appendix 3 and 4 represent flow charts for institutional planning prepared by Dozier et. al., and Parekh respectively.^{18, 19} Both systems feature a planning committee chaired by the college President; participatory planning flowing from jointly agreed upon goals and objectives, and integrated with budgeting; and a strong technical-analytical support component. The "final" product of both systems is at once a stable, practical fiscal plan of operation for a college, and an institutional guidance system amenable to change based upon continual evaluation of outcomes. The Dozier process is directed by management in a linear fashion, with participants appointed by the President. The planning team is made up primarily of senior administrators, and the entire process is essentially separate from operations, and reports through the President's office for Governing board approval. In this sense, it is a much more traditional, bureaucratic approach to planning. The more collegial-political Parekh process is literally merged with operations, is

less centralized, and participants are designated by their separate constituencies.

Incorporating the institutionwide, constituent-selected participation of the Parekh process; the linear reporting chain of the Dozier plan; and the emphasis on informed participation and integration of budgeting with planning of both processes, Haas depicts a planning system intermediate between the two.¹⁷ Two essential modifications are that the chair of the planning committee be:

"...someone with credibility, through credentials and experience, among the constituent groups. A member of the faculty with a penchant for decision processes and diligent staff work is ideal,"¹⁷

and that the planning committee's task not be to actually "plan:"

"The resultant role of a planning committee is to see that the plans developed by the administration are prepared with a clear bias and deference to its membership's perspective. In a practical sense, under this approach, the faculty, staff, and students shape the institution's future by playing a major role in determining the decision criteria on the basis of which administrators make plans and allocate resources. Out of concern for there being checks and balances, the system described requires resource allocation decision criteria be published for all involved to know, and resource allocation decisions in priority order also be published so participants in the planning process may determine whether resources were allocated in accordance with the published criteria."¹⁷

The Haas process, because it is workable in terms of available personnel and financial and technical resources, is particularly well suited for implementation at Compton College. Furthermore, it does not involve a radical departure from the more bureaucratic management style of some years ago, and would

therefore require little in-service training effort. In-service training would focus on maximization of widespread, individual employee effort which is crucial to the proper functioning of such a planning system. The time devoted to facilitating such an effort will be returned in the time and resource savings brought about by ultimately fewer management problems and heightened staff morale.

All that is necessary is to consummate such a direction, with all deliberate speed. With patience, the college community will rise to the task, and as the Chinese philosopher Lao-Tse predicted, "Of the best leaders, when their task is accomplished, the people all remark, 'we have done it ourselves.'" - 26

Appendix 1

"In higher education the I/R (Incremental/Remedial) concept lies behind words like autonomy and pluralism. This view of decision making has contributed to the notion rooted in our past that 'that government governs best that governs least!... Major characteristics of such a decision strategy include: (1) primary concern for the welfare of the individual; (2) uncertainty reduction through rapid, decentralized adaptation to change; (3) social control maintained by a system of checks and balances; and (4) a major focus on process specification." The principal characteristics of the C/P (Comprehensive/Prescriptive) decision process are (1) primary concern for the welfare of the group; (2) uncertainty reduction through analysis, prediction, and implementation of logically consistent and comprehensive policies; (3) social control through bureaucratic structures and processes; and (4) a major focus on the identification and measurement of outputs."¹⁰

These two schools of thought clearly embody quite different attitudes about management and how to adapt to problems. To illustrate these differences, one with a C/P orientation feels when considering rapid rates of change that rapid change creates a need to plan. The I/R view is that rapid change makes analysis too complex and unreliable and plans are rapidly outdated, so decision making must be remedial, and incremental from moment to moment. The C/P orientation is towards the traditional bureaucratic style of management, and is concerned with highly centralized control from above, especially in an environment of restricted finances. In contrast, the I/R style assumes at least adequate and stable financing, and the ability of participants to work in cooperation, and make independent judgment in a decentralized environment.

Appendix 2

Collegial Planning: Traits and Pitfalls

traits

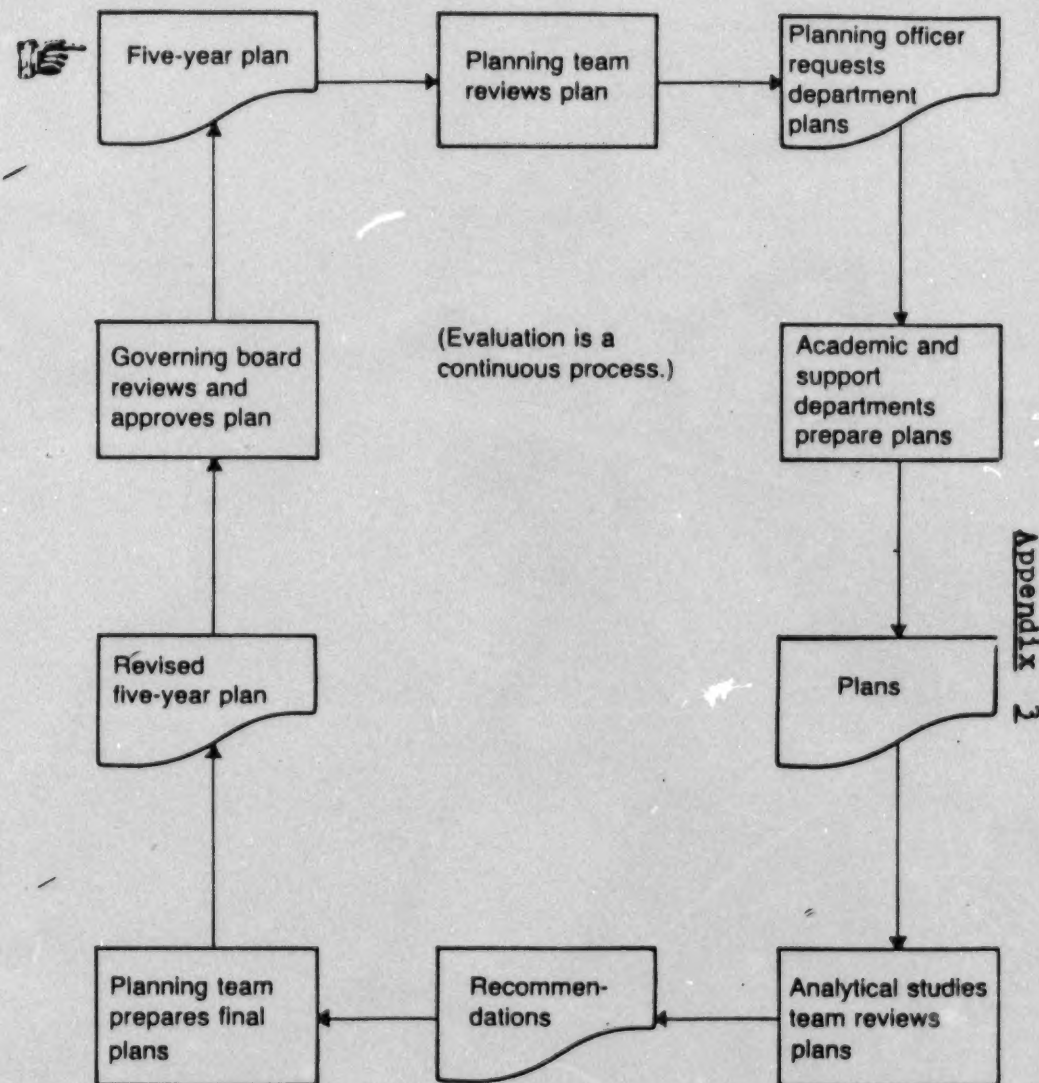
- 1) In-service training is provided appropriate for maximum participation. 20
- 2) Constituent-selected participation from every segment of the community occurs. 13, 14, 15, 17, 18, 19
- 3) Appropriate and accurate information is provided in a timely and graphic manner conducive to timely and participatory analysis. 15, 18, 19
- 4) Budgeting is integrated with planning on a continual basis, providing a constant framework for cost analysis and evaluation. 15, 18, 19
- 5) The goals and objectives are operationalized in the planning process and communicated on a continual basis throughout the college community. 17
- 6) Feedback evaluative mechanisms are provided through the planning process which permit both short and long term analysis of planning results and timely adjustments of operations as needed. 18, 19, 23
- 7) The planning process includes external resources such as county, state, national, and other institutions in its functions. 13

pitfalls

- 1) Lack of data collecting facilities may hamper progress and be a cost factor. 9
- 2) Unwittingly increasing information overload through the unnecessary use and misapplication of technology. 21
- 3) The twin needs of budget flexibility and accountability must be balanced, permitting flexibility and yet accountability of district operations. 15
- 4) Hard, factual, or least-cost data and criteria must not be permitted to eliminate the equal need for evaluation of qualitative, often intangible, value decisions. 22, 23
- 5) Omission of any given segment from participation, regardless of the contribution potential of that segment, runs the risk of dampening credibility for the ultimate planning outcomes. 24
- 6) Overuse of the survey method--how many other colleges do this--for program determination may result in the sterility of college service anticipated by Spitzberg:
"The challenge to urban postsecondary institutions will be to participate creatively in developing coherent urban policies and to maintain the integrity of their academic missions by not becoming urban service stations." 25

Exhibit 1.1
The Planning Process:
A Simplified Flow Chart

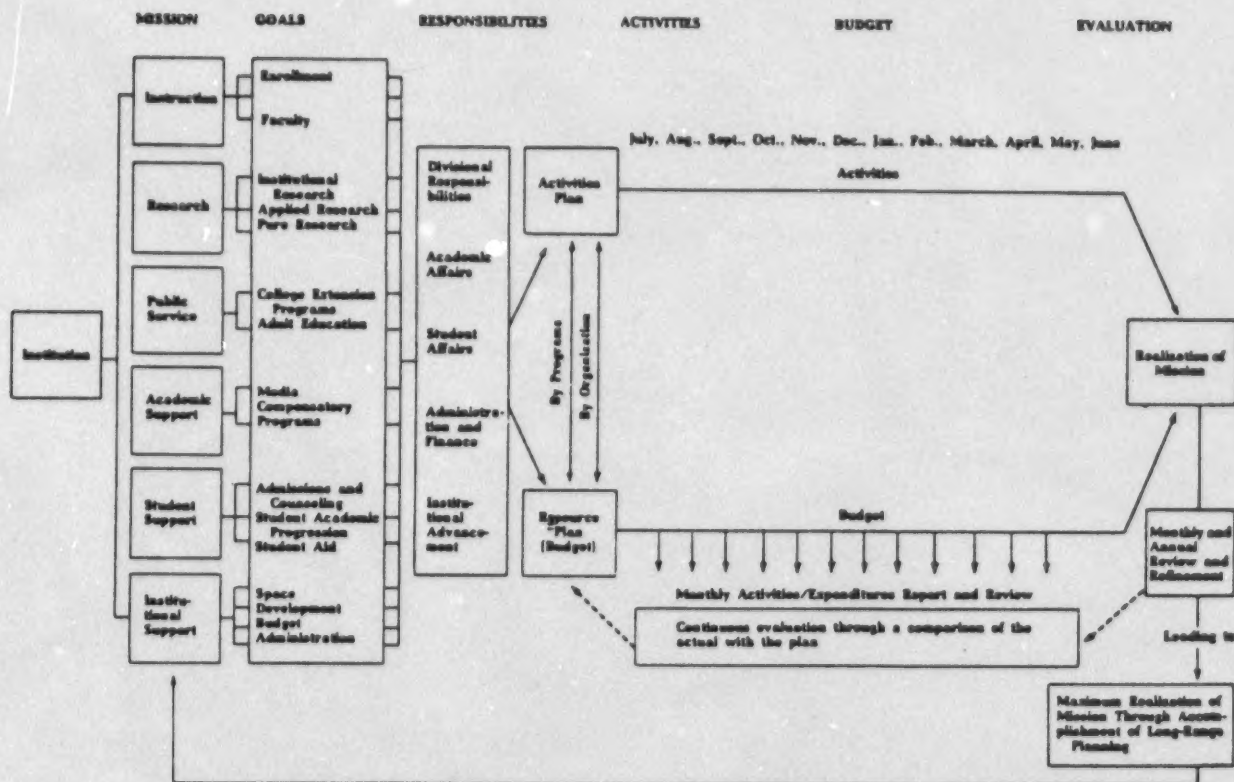
1. The cycle begins with an existing long-range plan or, if no plan exists, with preparation of basic planning assumptions. The planning team reviews the existing plan, prepares basic planning assumptions, secures governing board approval, and initiates the process by requesting academic and support departments to prepare plans and budgets. (See tasks 1-8 of exhibit 1.2, "Planning Calendar—Initial Year.")
2. Using information they receive in the basic planning assumptions, first academic and then support departments prepare five-year department plans and budgets. (See tasks 9-21 of planning calendar.)
3. After they are reviewed by the planning team, department plans, together with revenue estimates, staffing tables, and enrollment projections, are given to the analytical studies team, which evaluates their consistency, compatibility, and economic feasibility and then recommends modifications to the planning team. (See tasks 22-26 of planning calendar.)
4. The planning team comments on the analytical studies team's proposals, prepares final planning and budgeting documents, and forwards them to the governing board for review and approval. (See tasks 27-32 of planning calendar.)
5. Following governing board approval, the finished plan is published and will become the starting point for the next annual planning cycle (Item 1 above).



Dozier, John, et al., "A Planning Manual for Colleges," National Association of College and University Business Officers, Washington, D.C., 1980, pg 4.

Chart I

LONG-RANGE PLANNING/COMPREHENSIVE MANAGEMENT SYSTEMS MODEL



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